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Marietta, GA 30064

Valerie M. Verduce
Federal Trade Commission
225 Peachtree Street, NE
Suite 1500
Atlanta, GA 30303

Date: 7/15/2009

Regarding: FTC v. Direct Connection Consulting
Invoice No: 7

Services Rendered

<u>Date</u>	<u>Staff</u>	<u>Description</u>	<u>Hours</u>	<u>Rate</u>	<u>Charges</u>
4/15/2009	CE	Evaluate options and necessary steps to liquidate assets and vacate Direct Connection offices	0.50	\$85.00	\$42.50
4/15/2009	CE	Email exchange with David Harris regarding bills of sale for Joann Winter's vehicles and personal belongings in Direct Connection office	0.20	\$85.00	\$17.00
4/15/2009	PH	Receive and review voicemail from SunTrust regarding Gilbor	0.10	\$215.00	\$21.50
4/16/2009	CE	Telephone conference with Fulton County, Georgia Tax Assessor office regarding filing Lis Pendens for Joann Winter's property	0.20	\$85.00	\$17.00
4/16/2009	CE	Finalize and file Lis Pendens in Walton County, Florida and Fulton County, Georgia	0.40	\$85.00	\$34.00
4/16/2009	CE	Numerous email exchanges with David Harris regarding surrender of papers to principals, bills of sale, address of Santa Rosa property and location of boat owned by Joann Winter	0.40	\$85.00	\$34.00
4/16/2009	CE	Telephone conference with FTC regarding filing Lis Pendens and compliance with final order	0.20	\$85.00	\$17.00

EXHIBIT A

4/16/2009	CE	Telephone conference with Walton County, Florida Tax office regarding filing Lis Pendens for Joann Winter property	0.20	\$85.00	\$17.00
4/16/2009	JJ	Review status of filing Lis Pendens notices	0.10	\$145.00	\$14.50
4/16/2009	PH	Telephone conference with FTC	0.30	\$215.00	\$64.50
4/16/2009	PH	Email exchange with Halsey Knapp	0.10	\$215.00	\$21.50
4/17/2009	CE	Meet with David Harris, Joann Winter and Elliott Borenstein regarding removal of personal paper and items from Direct Connection office	6.50	\$85.00	\$552.50
4/17/2009	CE	Contact Keybank in Maine to verify validity of \$11,500 check from Pinetree Teleservices	0.20	\$85.00	\$17.00
4/17/2009	CE	Finalize and file Lis Pendens in Fulton County and Walton County	0.20	\$85.00	\$17.00
4/20/2009	CE	Send letter to Automatic Protection Services regarding potentially discontinuing service at the end of May	0.20	\$85.00	\$17.00
4/20/2009	CE	Receive and review Motion for Authority to Use Cash Collateral on a Permanent Basis to determine impact on pending litigation and lease	0.50	\$85.00	\$42.50
4/20/2009	PH	Exchange emails with Halsey Knapp	0.20	\$215.00	\$43.00
4/21/2009	CE	Telephone conference with Janet Bullock regarding Gilbor Aviation account at Sun Trust bank	0.20	\$85.00	\$17.00
4/21/2009	CE	Compile FBME documents and forward to David Harris to assist in transfer of funds to Receivership	0.40	\$85.00	\$34.00
4/21/2009	CE	Process monthly obligations of leased office space in Roswell	0.20	\$85.00	\$17.00
4/22/2009	CE	Telephone conference with Janet Bullock at Sun Trust Bank regarding Gilbor Aviation account	0.20	\$85.00	\$17.00

4/22/2009	PH	Receive and review proposed release regarding merchant accounts	0.20	\$215.00	\$43.00
4/23/2009	CE	Conduct online research to determine resale value of commercial grade elliptical machine in Direct Connection office	0.50	\$85.00	\$42.50
4/23/2009	CE	Research amount owed to accountant to determine feasibility of paying outstanding bill to have 2007 taxes prepared	0.20	\$85.00	\$17.00
4/23/2009	CE	Telephone conference with Sam Levy regarding amount owed on account and turning account records and tax return preparation over to Receiver for completion and filing	0.20	\$85.00	\$17.00
4/23/2009	PH	Review proposed release with merchant processor	0.20	\$215.00	\$43.00
4/24/2009	CE	Prepare letter to Sam Levy outlining agreement regarding surrendering accounting information and books to prepare Direct Connection tax returns	0.30	\$85.00	\$25.50
4/24/2009	CE	Telephone conference with Sam Levy regarding forwarding Quickbooks and work papers for 2007 tax return preparation	0.20	\$85.00	\$17.00
4/24/2009	CE	Email exchange with David Harris regarding name of accountant who prepared Digicom taxes and if they were ever filed separately from Direct Connection	0.20	\$85.00	\$17.00
4/24/2009	CE	Review information uncovered at Direct Connection offices regarding prior tax returns for various entities	0.30	\$85.00	\$25.50
4/27/2009	CE	Compile list of auction companies to handle liquidating assets in Direct Connection and Digicom offices	0.50	\$85.00	\$42.50
4/28/2009	CE	Telephone conference with Sam Levy regarding transmitting 2007 tax returns	0.20	\$85.00	\$17.00
4/28/2009	CE	Receive and review email from Sam Levy attaching 2007 tax returns and work papers for Direct Connection	0.20	\$85.00	\$17.00

4/28/2009	CE	Telephone conference with A Touch of Class Movers regarding moving items from Digicom storage to Direct Connection office	0.20	\$85.00	\$17.00
4/28/2009	CE	Second telephone conference with A Touch of Class Movers regarding quote for moving Digicom belongings to Direct Connection office	0.20	\$85.00	\$17.00
4/28/2009	CE	Receive and review letter and unsigned settlement agreement from Foltz Martin regarding lawsuit against American Reading Club	0.30	\$85.00	\$25.50
4/28/2009	PH	Telephone conference with FTC	0.10	\$215.00	\$21.50
4/29/2009	CE	Forward settlement agreement in American Reading Club to Receiver for review and direction regarding obtaining signatures to finalize agreement	0.20	\$85.00	\$17.00
4/29/2009	CE	Telephone conference with David Harris regarding meeting at the Direct Connection office to remove paperwork	0.20	\$85.00	\$17.00
4/29/2009	CE	Telephone conference with Arwood Auction & Appraisal regarding selling furniture and equipment in Direct Connection office	0.30	\$85.00	\$25.50
4/29/2009	PH	Telephone conference with FTC	0.20	\$215.00	\$43.00
4/30/2009	CE	Contact various auction companies to determine best approach to liquidating furnishings in Direct Connection Roswell office	0.70	\$85.00	\$59.50
4/30/2009	CE	Telephone conference with Nancy Hoadley at Bank of American regarding Joann Winter's line of credit balance	0.20	\$85.00	\$17.00
4/30/2009	CE	Email exchange with Bank of America regarding balances on Joann Winter's lines of credit	0.30	\$85.00	\$25.50
4/30/2009	PH	Telephone conference with FTC	0.10	\$215.00	\$21.50
5/01/2009	CE	Telephone conference with Carmela	0.20	\$85.00	\$17.00

Moreno regarding request for statements
for Joann Winter's lines of credit

5/01/2009	CE	Telephone conference with Attorney for Tim Walters and Grayson Space regarding releasing Baron airplane currently under asset freeze	0.20	\$85.00	\$17.00
5/01/2009	CE	Email exchange with Sam Levy of Rosenthal & Kaplin regarding 2007 tax returns of Direct Connection	0.40	\$85.00	\$34.00
5/01/2009	PH	Email to FTC regarding BOA	0.10	\$215.00	\$21.50
5/04/2009	CE	Continue research to locate boat and determine registration information	0.30	\$85.00	\$25.50
5/04/2009	CE	Email exchange with David Harris regarding signing settlement documents in American Reading Club lawsuit	0.30	\$85.00	\$25.50
5/04/2009	CE	Review settlement documents relating to lawsuit pending against American Reading Club	0.20	\$85.00	\$17.00
5/04/2009	CE	Telephone conference with Santa Rosa Clerk's office regarding filing fee for Lis Pendens	0.20	\$85.00	\$17.00
5/04/2009	CE	Prepare and finalize Lis Pendens for property located in Santa Rosa County, Florida	0.40	\$85.00	\$34.00
5/04/2009	CE	Telephone conference with Stormaster regarding on site sale of Digicom property	0.20	\$85.00	\$17.00
5/04/2009	CE	Telephone conference with Leaf Financial regarding amount outstanding on financing agreement and planned action as to retrieval of property	0.20	\$85.00	\$17.00
5/04/2009	CE	Email exchange with David Harris regarding location of boat and posters in office	0.20	\$85.00	\$17.00
5/04/2009	CE	Telephone conference with U.S. Manifest regarding outstanding contract	0.20	\$85.00	\$17.00
5/04/2009	CE	Telephone conference with Mark Catlos regarding location of Joann Winter's boat	0.20	\$85.00	\$17.00

5/04/2009	NO	Prepare fax correspondence to Robert Ruggles regarding the order appointing the Examiner and freezing assets	0.20	\$85.00	\$17.00
5/04/2009	NO	Research on comparable boat pricing	0.20	\$85.00	\$17.00
5/04/2009	NO	Review documentation pertaining to boat insurance description and repairs	0.40	\$85.00	\$34.00
5/04/2009	NO	Telephone call to Russ Osborne regarding boat registration process	0.20	\$85.00	\$17.00
5/04/2009	NO	Research on Georgia Department of Natural Resources website regarding current registration information for boat	0.60	\$85.00	\$51.00
5/04/2009	NO	Research Bob and Donna Ruggles to find contact information and inquire on the whereabouts of the boat	0.80	\$85.00	\$68.00
5/04/2009	NO	Prepare electronic correspondence to Bob and Donna Ruggles regarding the whereabouts of the boat	0.20	\$85.00	\$17.00
5/04/2009	NO	Telephone call to US Boat to inquire on the current insurance status of the boat	0.20	\$85.00	\$17.00
5/04/2009	NO	Telephone call from Robert Ruggles regarding the current condition and whereabouts of the boat	0.20	\$85.00	\$17.00
5/05/2009	CE	Evaluate current information regarding location and value of boat	0.50	\$85.00	\$42.50
5/05/2009	NO	Telephone call to US Boat regarding insurance transfer	0.20	\$85.00	\$17.00
5/05/2009	NO	Prepare detailed description of current efforts to insure, recover and sell boat	0.30	\$85.00	\$25.50
5/05/2009	NO	Research current rates of boat storage in Georgia	0.30	\$85.00	\$25.50
5/05/2009	NO	Research pertaining to consignment boat sale pricing and contact information	0.30	\$85.00	\$25.50
5/05/2009	NO	Telephone call to sales department at	0.20	\$85.00	\$17.00

Park Marine boating centers regarding
possible consignment sale

5/05/2009	PH	Telephone conference with FTC regarding Ridgemont Road	0.20	\$215.00	\$43.00
5/05/2009	PH	Telephone conference with FTC regarding house and BOA LOC	0.20	\$215.00	\$43.00
5/06/2009	CE	Email exchange with David Harris regarding signature of Elliott Borenstein on settlement documents for American Reading Club lawsuit	0.20	\$85.00	\$17.00
5/06/2009	CE	Telephone conference with David Arwood, auctioneer, regarding liquidating furniture and equipment at Direct Connection offices	0.20	\$85.00	\$17.00
5/06/2009	CE	Evaluate all possibilities of securing physical location of boat owned by Joann Winter	0.50	\$85.00	\$42.50
5/06/2009	CE	Verify furniture from Digicom in storage facility and try to coordinate on site sale of same	1.50	\$85.00	\$127.50
5/06/2009	CE	Email exchange with David Harris regarding removal of documents from Direct Connection office	0.20	\$85.00	\$17.00
5/06/2009	CE	Receive and review fax from Ron Carroll at Blue Ridge Helicopter regarding storage fee for Piper airplane	0.20	\$85.00	\$17.00
5/06/2009	CE	Telephone conference with Dan Shuman, auctioneer, regarding liquidating assets at Direct Connection offices	0.20	\$85.00	\$17.00
5/06/2009	NO	Prepare plan of seizure and liquidation for boat	0.30	\$85.00	\$25.50
5/06/2009	NO	Telephone call to US Boat to inquire about getting Receiver listed as loss payee on policy	0.20	\$85.00	\$17.00
5/06/2009	NO	Prepare fax correspondence to US Boat regarding order in order to get Receiver listed as loss payee on insurance policy	0.20	\$85.00	\$17.00

5/06/2009	NO	Return telephone call to US Boat regarding status of adding Receiver to insurance policy	0.10	\$85.00	\$8.50
5/06/2009	PH	Telephone conference with Attorney David Harris	0.20	\$215.00	\$43.00
5/06/2009	PH	Exchange emails with Attorney Charles Medlin	0.10	\$215.00	\$21.50
5/06/2009	PH	Exchange emails with FTC	0.20	\$215.00	\$43.00
5/07/2009	CE	Allow defendants access to premises and monitor their removal of personal property	5.00	\$85.00	\$425.00
5/07/2009	CE	Verify procedure for releasing Baron airplane to Tim Walters/Grayson Space	0.20	\$85.00	\$17.00
5/07/2009	NO	Telephone call to Marine Max Bald Ridge to inquire about Bob Ruggles	0.20	\$85.00	\$17.00
5/07/2009	NO	Telephone call to US Boat regarding approval of authorization to add Receiver as loss payee	0.30	\$85.00	\$25.50
5/07/2009	NO	Prepare electronic correspondence to US Boat underwriting department regarding approval to add Receiver as loss payee	0.20	\$85.00	\$17.00
5/07/2009	NO	Return telephone call from Bob Ruggles regarding status of repair invoice for boat	0.20	\$85.00	\$17.00
5/07/2009	NO	Telephone conference with US Boat regarding getting added as a loss payee on the insurance policy	0.10	\$85.00	\$8.50
5/07/2009	NO	Prepare authorization to add Receiver as loss payee to Boat US policy	0.60	\$85.00	\$51.00
5/07/2009	PH	Telephone conference with FTC	0.20	\$215.00	\$43.00
5/08/2009	CE	Second telephone conference with Stormaster regarding selling Digicom furniture onsite	0.20	\$85.00	\$17.00
5/08/2009	CE	Telephone conference with Stormaster regarding onsite sale of furniture and equipment from Digicom office	0.20	\$85.00	\$17.00
5/08/2009	NO	Receive and review fax from Flagship	0.20	\$85.00	\$17.00

Marine regarding storage fees for boat

5/08/2009	NO	Telephone call from Bob Ruggles regarding the invoice and arrangements for pick-up of the boat	0.20	\$85.00	\$17.00
5/08/2009	NO	Telephone call from Bob Ruggles confirming receipt of fax correspondence	0.10	\$85.00	\$8.50
5/08/2009	NO	Receive and review fax correspondence from Bob Ruggles regarding invoice for boat repairs	0.20	\$85.00	\$17.00
5/11/2009	CE	Allow defendants access to office and monitor their removal of business records	4.00	\$85.00	\$340.00
5/11/2009	CE	Telephone conference with Leaf Financial regarding outstanding balance on lease	0.20	\$85.00	\$17.00
5/12/2009	CE	Receive and review signed original settlement agreement and dismissal in American Reading Club lawsuit; prepare letter to Halsey Knapp transmitting original signed documents and requesting payment of funds to Receiver	0.30	\$85.00	\$25.50
5/12/2009	CE	Research possibilities regarding auction companies to handle liquidation and reasonable charges for that service	0.30	\$85.00	\$25.50
5/12/2009	NO	Telephone call from Robert Ruggles regarding status of boat	0.10	\$85.00	\$8.50
5/12/2009	NO	Telephone call to US Boat regarding status of approval of authorization to add Receiver as loss payee to boat insurance policy	0.10	\$85.00	\$8.50
5/13/2009	CE	Telephone conference with Jermaine Walker at DeKalb County Attorney's office regarding release of Baron Airplane	0.20	\$85.00	\$17.00
5/13/2009	CE	Telephone conference with Georgia Department of Revenue regarding clear title on Excursion	0.20	\$85.00	\$17.00
5/13/2009	CE	Telephone conference with Leaf Financial to determine decision reached regarding surrendering equipment under lease	0.20	\$85.00	\$17.00

5/13/2009	CE	Telephone conference with Roswell Business Center regarding payment of May rent and vacating premises	0.20	\$85.00	\$17.00
5/13/2009	CE	Telephone conference with auctioneer regarding possibly handling liquidation of assets in Direct Connection offices	0.20	\$85.00	\$17.00
5/13/2009	PH	Telephone conference with FTC	0.00 0.40	\$215.00	No Charge No Charge
5/14/2009	CE	Telephone conference with Timothy Walters regarding release of Baron airplane	0.20	\$85.00	\$17.00
5/14/2009	CE	Telephone conference with Four Seasons Auction Company regarding liquidation of assets in Direct Connection office	0.20	\$85.00	\$17.00
5/14/2009	CE	Telephone conference with Ocean Limos regarding selling the Excursion	0.20	\$85.00	\$17.00
5/14/2009	CE	Telephone conference with Carmela Moreno regarding statements for additional line of credit at Bank of America	0.20	\$85.00	\$17.00
5/14/2009	CE	Telephone conference with Mark Turner of Ocean Limos regarding process for and cost of selling Excursion	0.20	\$85.00	\$17.00
5/14/2009	CE	Receive and review line of credit statements from Bank of America	0.30	\$85.00	\$25.50
5/14/2009	CE	Telephone conferences with Leaf Financial regarding amount outstanding on lease for surveillance and security systems	0.30	\$85.00	\$25.50
5/14/2009	CE	Telephone conference with Georgia Department of Revenue verifying that tax payment has been received and requesting copy of paperwork	0.20	\$85.00	\$17.00
5/14/2009	CE	Evaluate situation regarding problems obtaining marine insurance for boat owned by Joann Winter	0.40	\$85.00	\$34.00
5/14/2009	NO	Telephone call to US Boat regarding insurance reinstatement	0.30	\$85.00	\$25.50

5/14/2009	NO	Receive and review correspondence from US Boat regarding reinstatement of insurance policy	0.20	\$85.00	\$17.00
5/14/2009	NO	Review options for boat insurance coverage	0.30	\$85.00	\$25.50
5/14/2009	NO	Return telephone call from Alina Robertson regarding options for insurance coverage through Hartford	0.20	\$85.00	\$17.00
5/14/2009	NO	Prepare fax correspondence to Alina Robertson regarding information necessary to inquire about boat insurance coverage through The Hartford	0.20	\$85.00	\$17.00
5/14/2009	NO	Research boat repossession services in Georgia	0.50	\$85.00	\$42.50

Total Fees \$4,479.50

Expenses

<u>Start Date</u>	<u>Description</u>	<u>Quantity</u>	<u>Charges</u>
4/30/2009	April PACER Charges	1.00	No Charge
4/30/2009	April PACER Charges	1.00	No Charge
4/30/2009	April Postage	1.00	No Charge
4/30/2009	April Photocopies	95.00	No Charge
4/30/2009	April Scanned Copies	78.00	No Charge

Total Expenses \$0.00

Total New Charges

\$4,479.50

Staff Summary

Name	Hours	Rate	Fees
Cherie Eason	36.40	\$85.00	\$3,094.00
Jennifer Jones	.10	\$145.00	\$14.50
Nikki Osborne	9.30	\$85.00	\$790.50
Pat Huddleston	2.70	\$215.00	\$580.50
Pat Huddleston	.40	\$0.00	\$0.00